

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

JOHNSON COUNTY GAS COMPANY, INC.	)	
	)	
	)	CASE NO. 91-392
	)	
FAILURE TO COMPLY WITH COMMISSION	)	
ORDER IN CASE NO. 10415	)	

O R D E R

IT IS ORDERED that Johnson County Gas Company ("Johnson County") shall file the original and 12 copies of the following information with the Commission with a copy to all parties of record no later than March 11, 1992. Johnson County shall furnish with each response the name of the witness who will be available at the public hearing for responding to questions concerning each item of information requested.

1. Explain the circumstances which have caused Johnson County to lose customers.

2. With regard to the decline in customer base over the past two years, explain the potential for getting these customers back.

3. In reference to the response to the Show Cause Order of November 8, 1991, Johnson County stated, "The Company has experienced a significant decrease in the number of customers, the number of Mcf sold and total revenues since the Staff Report was issued." For the period November 1, 1990 through October 31, 1991 support and explain the following:

a. The decrease in the number of Mcf sold.

- b. The decrease in the total revenues.
- c. The decrease in the number of customers.

4. Provide an analysis of the Mcf sales per customer for 1990 and 1991.

5. In reference to the response to the Show Cause Order of November 8, 1991, Exhibit 3, Johnson County stated "1990-1991 Expenses Unaccounted for in Staff Report." Identify in which account each of these items is charged.

6. In reference to the total surcharge collected of \$82,805.82 designated for payment to DLG and Columbia Gas, provide an analysis which shows the amounts of surcharge revenues contained in the bank accounts of Johnson County as of December 31, 1991. If the amount contained in bank accounts is less than the amount collected, provide a detailed explanation of the use of these funds.

a. Identify each bank account in which the surcharge revenue has been deposited and provide copies of bank statements for each month subsequent to the October 30, 1990 Order, through the most recent month for which a statement has been issued by the financial institution.

7. In reference to the response to the Show Cause Order of November 8, 1991, Johnson County stated, " . . . there has been an unexpected increase in labor, materials and contract service." Provide a detailed comparative analysis of the increase in these items for the twelve month period ending October 31, 1991.

8. When comparing the total expenses incurred by Johnson County for the twelve month period ending October 31, 1991,

exclusive of the cost of purchased gas, expenses have increased by approximately \$24,000. Provide a detailed explanation of why the total expenses incurred for the 12-months ended October 31, 1991 exceed the total level provided in the Staff Report and Settlement Agreement. In your response, specifically address expense categories that have increased such as salaries and wages, outside services, rent, transportation expense, interest expense, etc.

IT IS FURTHER ORDERED that Johnson County shall appear at a hearing scheduled March 24, 1992, at 10:00 a.m., Eastern Standard Time, in Hearing Room 1 of the Commission's offices at 730 Schenkel Lane, Frankfort, Kentucky, and show cause, if any it can, why it should not be penalized pursuant to KRS 278.990 for its failure to comply with the Commission's Order dated October 30, 1990 in Case No. 10415.<sup>1</sup>

Done at Frankfort, Kentucky, this 28th day of February, 1992.

PUBLIC SERVICE COMMISSION

  
For the Commission

ATTEST:

  
Executive Director

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<sup>1</sup> Case No. 10415, An Investigation of the Rates of Johnson County Gas Company, Inc.